

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF PENNSYLVANIA**

IN RE:

SHERIDAN BROADCASTING
NETWORKS, INC.,

Debtor.

Chapter 11

Case No. 16-20722 (TPA)

NBN BROADCASTING, INC.,

Movant,

v.

SHERIDAN BROADCASTING
NETWORKS, INC.,

Respondent.

Document No. _____

Related to Document No. 9

MOTION OF NBN BROADCASTING, INC. TO FILE UNDER SEAL THE PRE-PETITION CONFIDENTIAL SETTLEMENT AGREEMENT BETWEEN NBN BROADCASTING, INC. AND SHERIDAN BROADCASTING NETWORKS, INC.

NBN Broadcasting, Inc. (“NBN”), by and through its undersigned counsel, hereby moves (this “Motion”) the Court for the entry of an order, pursuant to section 107(b) of title 11 of the United States Code, 11 U.S.C. § 101 *et seq.* (the “Bankruptcy Code”), Rule 9018 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), and Rule 5005-20 of the Local Bankruptcy Rules of the United States Bankruptcy Court for the Western District of Pennsylvania (the “Local Rules”), authorizing NBN to file under seal the pre-petition confidential settlement agreement (the “Settlement Agreement”) that is the subject of, and will be offered into evidence during the evidentiary hearing on, the *Emergency Motion of NBN Broadcasting, Inc. for Relief from the Automatic Stay to Enforce the Terms of a Settlement Agreement Between NBN Broadcasting, Inc. and Sheridan Broadcasting Networks, Inc. in the*

United States District Court for the Western District of Pennsylvania [Doc. No. 9] (the “Stay Relief Motion”), and in support hereof, respectfully represents as follows:

JURISDICTION AND VENUE

1. The Court has jurisdiction to consider this Motion pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding under 28 U.S.C. § 157(b)(2).
2. Venue is proper in this Court pursuant to 28 U.S.C. §§ 1408 and 1409.
3. The statutory predicates for the relief requested herein are section 107(b) of the Bankruptcy Code, Bankruptcy Rule 9018, and Local Rule 5005-20.

BACKGROUND

4. On March 20, 2012, NBN commenced an action against Sheridan Broadcasting Networks, Inc. (the “Debtor”) in the United States District Court for the Western District of Pennsylvania (the “District Court”) seeking, among other things, damages for breaches of the Debtor’s fiduciary duties to NBN. See NBN Broadcasting, Inc. v. Sheridan Broadcasting Networks, Inc., et al., Civil Action No. 12-346, Doc. No. 1 (W.D. Pa.).

5. On October 23, 2015, after two days of evidence during NBN’s case-in-chief and with the aid of the District Court and its law clerk, the parties reached the confidential Settlement Agreement resolving all claims in the District Court action and any related litigation between the parties, including any parallel state court litigation. See Doc. Nos. 194, 196.

6. Counsel for NBN and the Debtor (together, the “Parties”) set forth the terms of the Settlement Agreement on the record before the District Court.

7. The Parties, as part of the settlement, agreed that the Settlement Agreement would be confidential. Accordingly, on January 6, 2016, the parties filed their *Joint Motion for Leave to File the Transcript of the October 23, 2015 Hearing Under Seal* [Doc. No.

198] (the “Seal Motion”) in the District Court seeking to prevent the disclosure of the Settlement Agreement that was memorialized in the transcript of the October 23, 2015 proceeding.

8. On January 8, 2016, the District Court entered an order granting the Seal Motion and ordering that the transcript of the October 23, 2015, hearing be filed under seal and to remain under seal pending further order of the District Court. See Doc. No. 199.

9. On March 1, 2016, the Debtor filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code in the United States Bankruptcy Court for the Western District of Pennsylvania (the “Court”).

10. On March 4, 2016, NBN filed the Stay Relief Motion seeking the entry of an order granting relief from the automatic stay to allow NBN to enforce the terms of the Settlement Agreement in proceedings pending in the District Court. The Settlement Agreement is a crucial piece of evidence that NBN intends to offer into evidence at the evidentiary hearing on the Stay Relief Motion scheduled for March 16, 2016.

RELIEF REQUESTED

11. By this Motion, NBN respectfully requests the entry of an order authorizing it to file the Settlement Agreement under seal pursuant to Bankruptcy Rule 9018 and Local Rule 5005-20. Counsel to NBN has conferred with counsel to Sheridan, who confirmed that Sheridan consents to the relief requested in this Motion.

BASIS FOR RELIEF REQUESTED

12. Section 107(b) of the Bankruptcy Code provides bankruptcy courts with the power to issue orders that will protect entities from potential harm that may result from the disclosure of certain confidential information. This section provides, in relevant part:

On request of a party in interest, the bankruptcy court shall, and on the bankruptcy court's own motion, the bankruptcy court may --

(1) protect an entity with respect to a trade secret or confidential research, development, or commercial information; or

(2) protect a person with respect to scandalous or defamatory matter contained in a paper filed in a case under this title.

11 U.S.C. § 107(b).

13. Bankruptcy Rule 9018 sets forth the procedures by which a party may move for relief under section 107(b), providing that “[o]n motion or on its own initiative, with or without notice, the court may make any order which justice requires . . . to protect the estate or any entity in respect of a trade secret or other confidential research, development, or commercial information” Fed. R. Bankr. P. 9018. Local Rule 5005-20 additionally provides, in relevant part, that “Filing Users shall electronically file motion file documents under seal.” L.R. 5005-20.

14. Sufficient cause exists for the Court to grant the relief requested in this Motion. The Parties previously agreed that the Settlement Agreement should be confidential, and the District Court ordered that the Settlement Agreement be filed under seal. NBN believes that the Settlement Agreement is relevant to the prosecution of its case-in-chief on the Stay Relief Motion and should be offered into evidence in support of the Stay Relief Motion. To comply with the confidentiality provision of the Settlement Agreement and the District Court order, NBN respectfully requests an order from the Court authorizing NBN to file the Settlement Agreement under seal.

NOTICE

15. Notice of the Motion will be given to counsel to the Debtor and the Office of the United States Trustee. No other or further notice need be given in light of the nature of the relief requested.

WHEREFORE, NBN respectfully requests that the Court enter an order, substantially in the form attached hereto as **Exhibit A**, granting NBN authority to file the Settlement Agreement under seal and such other and further relief as may be just and proper.

Dated: March 10, 2016

Respectfully submitted,

REED SMITH LLP

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